VZCZCXRO3057 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #0121 0160228 ZNR UUUUU ZZH P 160228Z JAN 08 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 1004 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RHMFIUU/USFJ PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 5510 RUEHNH/AMCONSUL NAHA 7904 RUEHNAG/AMCONSUL NAGOYA 4184 RUEHKSO/AMCONSUL SAPPORO 6116 RUEHOK/AMCONSUL OSAKA KOBE 9175 RUEHBJ/AMEMBASSY BEIJING 1116 RUEHMO/AMEMBASSY MOSCOW 2074 RUEHUL/AMEMBASSY SEOUL 7183 RUCNDT/USMISSION USUN NEW YORK 7838 RHEHAAA/NSC WASHDC

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STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM; USTR FOR PUBLIC AFFAIRS OFFICE; TREASURY FOR OASIA/IMI; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

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TAGS: <u>OIIP KMDR KPAO</u> <u>JA</u>
SUBJECT: TOKYO MEDIA REACTION - BUSH VISIT TO MIDDLE
EAST

- 11. LEAD STORIES: Top stories on Wednesday morning include separate announcements on Tuesday by Citigroup and Merrill Lynch on their steps to deal with their huge losses from the subprime loan crisis.
- 12. "U.S. Responsible for Easing Tensions in Middle East" The liberal Mainichi editorialized (1/16): "...We hope President Bush during his remaining one year in office will bring about peace between the Israelis and Palestinians and help the people of Iraq, who are tired of war, to live in peace and quiet. Although some say the president's mediation efforts come too late, President Clinton held talks with then Israeli Prime Minister Barak and the late Palestinian leader Arafat only six months before leaving office. It is not too late. But it will be important for President Bush to remain fair in order to win the confidence of both parties. Unlike his father, President Bush has been viewed as too sympathetic to the Israelis. The Bush administration needs to review its 'unconditional support' for Israel. Although Washington's strong alliance with Israel should be respected, Israel will not be secure in the long run through U.S. support alone.... President Bush has a responsibility to ease the tensions in the Middle East and among Muslim nations. Although the president stressed the threat of Iran during his visit to the Gulf nations, Arab states are increasingly looking to improve their ties with Tehran. The U.S. approach of dividing the world into enemies and friends will not be effective. The Bush administration should take a new approach to dealing

with Middle East peace. It needs to make additional efforts to promote dialogue with the concerned parties, including Iran."

DONOVAN